

EXHIBIT 2

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF VERMONT

ALICE H. ALLEN, et al.

Plaintiffs,

v.

DAIRY FARMERS OF AMERICA, INC.
DAIRY MARKETING SERVICES, LLC,
and DEAN FOODS COMPANY,

Defendants.

Civil Action No. 5:09-CV-00230

Affidavit of Lee Ramsburg, Jr.

I, Lee Ramsburg, Jr., hereby states as follows:

1. I started my dairy farming operation from scratch in the spring of 1971 and have operated it continuously ever since. Currently, my farm is located at 420 Rock Creek Ford Road, Gettysburg, PA 17325-8671. My grandfather had been a dairy farmer. He sold his herd in 1950.

2. Before buying the farm in Pennsylvania, I had farmed in Maryland. I became a member of Maryland Cooperative Milk Producers in 1971. Originally, I joined a coop because my grandfather had talked about the value of a coop and how hard it was to survive as a dairy farmer without the cooperatives. As a result of 3 mergers, I became a member of Dairy Farmers of America in about 1998. I was elected as a delegate for Region 4, which includes Adams County, York County and part of Lancaster County in Pennsylvania in 1998.

3. Rock Creek farm is a family operation. My two oldest sons work the farm with me. The farm has about 200 cattle – about 100 mature cows and 100 heifers. The coop's trucks pick up our milk every other day.

4. The dairy farm business is very tough. Coops are beneficial to their members and help keep more farms in operation. It is important for dairy farms to join together to negotiate against large dairy processors, like Dean Foods. I think that when dairy farmers work together they are better off and more likely to make a reasonable return on their milk than if each dairy farmer tries to go it on his own. In my experience the processors will, if they can, pit the farmers against each other and drive prices for raw milk down, and therefore drive more farms out of business.

5. The cooperative gives the dairy farmers the chance to get a fair price for their milk. Dairy farmers individually are not able to negotiate effectively against milk processors because to a large dairy processor the supply of milk from any one dairy farm is expendable. So individually a dairy farmer is at the mercy of the processor.

6. I believe strongly that my family and our farm have benefited from our membership in DFA. I've waited most of my career for a coop that could develop enough clout that it can effectively negotiate with a national milk processor like Dean Foods, and I'm confident that DFA has done so to my advantage. In my opinion, the proposed settlement between Dean Foods and Alice Allen, *et al.*, will be detrimental to the raw milk prices paid to dairy farmers in the Northeast because it will weaken our coop's bargaining position and pit farmer against farmer.

7. It has taken a great deal of work to develop a coop that provides the types of services that we get from DFA, in addition to negotiating a fair price for our milk. DFA and the coops that are part of DMS offer a lot of valuable and helpful services to their members. For example, there is a buying group called Eagle Dairy Direct that gets discounted prices of dairy and farm supplies. The coops also offer health insurance and workers compensation insurance as well as risk management services and specialists that work with dairy farmers on expansion and technical problems that you might have on y our farm.

8. Rock Creek sometimes uses Eagle Dairy Direct to buy its farming supplies at a discounted price. We also get our health insurance and workers compensation insurance through DFA affiliate Agri-Services Agency. DFA provides these services in a convenient economical way with people who understand dairy farming.

9. Another example of the help that we get from our coop is the grazing management service which we are using now. DFA formed Dairy Grazing Services, which works with dairy farmers and provides us with the resources we need to improve profitability when using grazing in our operations. We are in the process of converting Rock Creek from a traditional or conventional dairy farm to a grazing farm. A grazing farm maximizes the amount of feed the cows eat through foraging in the grass and pastures. The cows also distribute their own manure throughout the growing season as they graze through the fields. This method of dairy farming is beneficial for the environment. It creates a smaller carbon foot print. DFA's grazing specialists visit our farm and work with us on making that conversion from conventional to grazing.

10. Grazing increases the problem known as the Spring Flush. During the spring the cows naturally produce more milk. Spring Flush is worse on a grazing farm because the cows are actually out in the fields grazing on the fresh, green grass. I asked the coop grazing technician why they provided us with grazing management services even though grazing made Spring Flush worse. He told me that the coop wants to keep as many farmers operating and profitable as it can. So, even though the additional milk during the Spring Flush creates a challenge for a milk marketing coop, because grazing reduces the farmer's costs, it might allow some farms to survive that might not make it as a conventional farm.

11. On top of these important services, the coop also guarantees that we have a market for our milk and helps us manage excess milk. Even when milk is long the coop continues to purchase our raw milk at a fair price, which is critical for keeping our farm profitable. If the coop did not buy our milk regardless of the demand, the farm would suffer because our cows don't stop making milk just because demand falls. For example, during the holiday season, the dairy processors and bottlers give some of their workers a holiday break. With fewer workers in the plant, less milk is processed and needed, but the cows are still making about the same amount of milk whether it's Christmas day or December 1st. Milk processors only want milk on a certain day and time. So, we need the coop to continue to pick up and buy our milk even when demand is low.

12. The solution that dairy cooperatives have provided to this problem of excess supply, be it seasonal (Spring Flush), holiday or weekend, is to build or buy balancing plants. When raw milk is "long" and the coops' regular buyers have all the milk they can use or will take, the excess raw milk, which is a perishable product, is then taken to a balancing plant where it is made into butter and non-fat milk powder, both of which can be stored. These coop

owned facilities thereby balance the supply and demand for raw milk. This is an extremely important function of dairy coops because that alternative would be to haul the milk thousands of miles to available plant capacity or simply dump it, both of which cost dairy farmers money. Some examples of coop owned balancing plants are the DFA plants in Reading and Middlebury Center, Pennsylvania, the Land O' Lakes plant in Carlisle, Pennsylvania and the Maryland-Virginia Milk Producers' plant in Laurel, Maryland.

13. It should also be noted that balancing plants frequently operate at a loss because of the butter and powder they produce have low profit margins, as I understand it, and the plants usually don't operate at full capacity most of the year. So it's important for dairy farmer coops to remain financially strong so that they can absorb the losses these plants often create and continue to maintain this critical piece of raw milk marketing. I sometimes ask myself the question: If the coops didn't own these plants who would? Probably some investor would and the dairy farmers would be again at the mercy of an entrepreneur who would pay a price for raw milk low enough that his plant would show a profit.

14. Another valuable service that our coop provides is hauling. On our farm DFA takes the responsibility of transporting that raw milk that we produce on our farm to the processing plant. Our coop takes the burden of hauling off the farmer by negotiating with contract haulers such that our milk is hauled in the most expedient, the most efficient and, therefore, the most inexpensive way possible. DMS, I believe, has played a huge role in combining milk routes, reducing duplication, creating synergies, and making milk hauling more efficient and more economical in the Northeast which means less expense to the dairy farmers.

15. Another important service that DFA provides is sampling and testing. Each time the milk on our farm is loaded onto a truck for transport, a sample of the milk is taken. The coop has a lab which tests that sample for butterfat and protein. This is an important test because the pay price we receive for our milk is based on the amount of butterfat and protein in the milk. I am confident that my coop is fair and objective in this testing function. The milk sample is also analyzed to find the level of bacteria, somatic cells, antibiotics, water, etc. If these test results indicate that we have a problem on our farm, DFA has a field staff with expertise come to our farm and help us determine what the problem is and how to resolve it. This service is not only helpful to the dairymen, but it also helps to assure the DFA raw milk buyers a consistent high quality supply of raw milk.

16. The cooperative allows dairy farmers to work together to negotiate higher prices for our milk, to reduce our costs and to make us more efficient through the transportation, testing, balancing plants, grazing management services, insurance products and other services that we can get through the cooperatives.

17. In my opinion the initial complaint in the class action lawsuit where Alice Allen, *et al.*, allege that DFA and Dean Food conspired to lower raw milk prices is unbelievable and will remain unproven. I also wonder why Dean Food would offer a settlement in this matter before the class was even certified by the Court. This makes me suspicious of ulterior motives.

18. I read the Complaint in this case and Dean Food's settlement agreement. It is unclear to me how much money the average dairy farmer will get from the settlement, but I don't think that the settlement will be good for my farm, my family or the dairy business.

19. It is clear to me that Dean Foods who apparently offered this settlement does not represent my best interest. Nor do they care about my farm. It is also clear to me that my thoughts on this matter are not consistent with Alice Allen *et al.*, who claim to represent me and who have agreed to this offer.

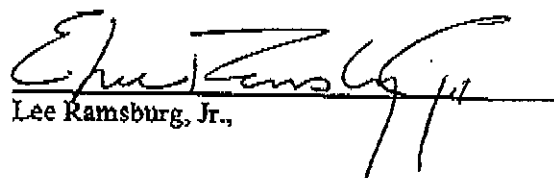
20. In particular in my opinion, Section 9.2 of the settlement is extremely short sighted and that the long term effect of this settlement will be lower milk prices for dairy farmers in the Northeast. Dean Foods pays the federal order price plus some over order premium for most of the milk it purchases from DFA. If Dean is allowed to buy milk on the open market, I'm doubtful that they will pay an over order premium for this milk. I suspect that Dean would then use this cheaper milk as leverage to ratchet down the over order premium it currently pays for DFA milk. The "over order premiums" is the bonus that DFA receives for "transporting" "consistently high quality milk" to the processing plant only on the "day and time that they need it."

21. I worry that Section 9.2 would cause the over order premiums currently paid to DFA to eventually disappear and then DFA would not be paid for the valuable services mentioned above and that the DFA membership would then have to absorb the costs of these services. Furthermore, if Dean is allowed to reduce or eliminate the over order premium on the milk sold to them, all the other processors in the Northeast will expect the same treatment.

22. In conclusion, I believe that long term, Section 9.2 of the Dean settlement will be detrimental to the dairy farmers of the Northeast. Second, I trust my coop, DFA, and I believe that the well being of Rock Creek Farm is largely dependent on the well being of DFA.

23. Thank you for allowing me the opportunity to voice my objection to the Dean Food settlement.

I declare under penalty of perjury, pursuant 28 U.S.C. § 1746, that the foregoing is true and correct.


Lee Ramsburg, Jr.,